

Message Text

PAGE 01 STATE 118926

61

ORIGIN COME-00

INFO OCT-01 AF-06 NEA-10 ISO-00 EB-07 CIAE-00 INR-07

NSAE-00 AGR-05 /036 R

DRAFTED BY COM/OED/MEPD/JPHILBRICK/MJJ

APPROVED BY EB/OCA/REP/LAKLIEFORTH

COM/OED/MEPD/LENGLESON

COM/OED/MEPD/JRHEAGEN,DEP.DIR

COM/BIC/OIM (INFO)

STATE/AF/W/WRAMSEY (PHONE)

STATE/AF/W/MGWYGANT/(PHONE)

EB/OCA/REP/EMCKEON

----- 003955

P 212143Z MAY 75

FM SECSTATE WASHDC

TO AMEMBASSY ABIDJAN PRIORITY

AMEMBASSY KABUL

LIMITED OFFICIAL USE STATE 118926

E.O. 11652: N/A

TAGS: BEXP, IV, AF

SUBJECT: COMMERCIAL INTELLIGENCE: BACKGROUND

-- INFORMATION

REF: ABIDJAN 4121

FOR RAMSEY FROM SANDS, MAJOR PROJECTS

1. REGRET EARLIER COMMERCE REPLY DID NOT PROVIDE ALL INFO
NEEDED. HOPE THIS FILLS THE GAP.

THE ARM OF MORRISON KNUDSEN WHICH CONTAINS ITS SUGAR EXPER-
TISE IS H.K. FERGUSON A WHOLLY OWNED SUBSIDIARY OF M-K.

AS SUCH THERE IS NO SEPARATE FINANCIAL STATEMENT, HOWEVER,
FERGUSON IS WELL-KNOWN TO MAJOR PROJECTS AND IS RANKED IN

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 118926

THE 1974 ENGINEERING NEWS RECORD AS THE 25TH LARGEST
DESIGN FIRM AND ITS 1974 REVENUES WERE ONE HUNDRED AND
FORTY MILLION DOLLARS. H.K. FERGUSON AND INTERNATIONAL
ENGINEERING CO (IECO) ANOTHER WHOLLY OWNED SUBSIDIARY OF

M-K WILL BE WORKING TOGETHER ON THE PROPOSAL. FOR THIS REASON THE PROPOSAL IS IN THE NAME OF MORRISON-KNUDSEN INT'L. AVAILABLE MANPOWER: H.K. FERGUSON HAS 811 DESIGN AND CONSTRUCTION ENGINEERING PERSONNEL ON ITS ROLLS AND IECO HAS 532 ENGINEERS. PROJECTS UNDERWAY: H.K. FERGUSON: MAURITANIA-STEEL AND COPPER DEVELOPMENT; TURKEY-TIRE PLANT;

INDIA-CEMENT PROJECT; SAUDI ARABIA-MASTER PLAN FOR INDUSTRIAL DEVELOPMENT; IECO: AFGHANISTAN-POWER PLANT; BANGLADESH-IRRIGATION; ALGERIA-IRRIGATION; ZAIRE-POWER TRANSMISSION; EGYPT-SPONGE IRON FEASIBILITY STUDY; TAIPEI-REGIONAL WATER SUPPLY; GUATEMALA-POWER DEVELOPMENT; NICARAGUA-POWER DEVELOPMENT. THERE IS NO SIMILAR LIST FOR THE ITEM EXPERIENCE IN THE CANE SUGAR INDUSTRY. H.K. FERGUSON HAS DONE NO INTERNATIONAL SUGAR PROJECTS AND HAS SO FAR CONCENTRATED ON BEET SUGAR IN THE U.S. IT IS A LEADER IN THIS FIELD WITH OVER 60 PERCENT OF THE NEW BEET SUGAR PROJECTS IN THE U.S. SINCE THE EARLY 1960'S TO ITS CREDIT. THEY HAVE WORKED FOR SUCH FIRMS AS AMERICAN CRYSTAL, GREAT WESTERN HOLLY SUGAR CORPORATION, POMMES DE TERRE SOUTHERN MINNESOTA BEET SUGAR COOP AND SPRECKLES CO (A DIVISION OF AMSTAR).

2. WHEN ASKED BY A MAJOR PROJECTS OFFICER TO WHAT ATTRIBUTE ITS ABILITY IN THE FIELD OF CANE SUGAR, H.K. FERGUSON STATED THAT IT WOULD OF COURSE BRING IN A CONSULTANT TO DEAL WITH THE ACTUAL PROCESSING AND INTEGRATING THE SUGAR MILL INTO THE TOTAL COMPLEX. H.K. FERGUSON DECLINED TO NAME THE CONSULTING FIRM BECAUSE IT HAS NOT YET DETERMINED WHICH ONE OF THREE FIRMS IT WOULD CHOOSE. FERGUSON ALSO STATED THAT BEET AND CANE TECHNOLOGY HAVE A LOT IN COMMON. MAJOR PROJECTS' OPINION IS THAT M-K INT'L. IS DEFINITELY A FIRST RATE DESIGN CONSTRUCTION FIRM WHICH CAN HANDLE THE PROBLEMS OF INFRASTRUCTURE, CONSTRUCTION SUPERVISION, FINANCE ETC. IN A WAY SATISFACTORY TO THE IVORY COAST. IF M-K HIRES A FIRST RATE SUGAR CONSULTANT, IT SHOULD BE ABLE TO
LIMITED OFFICIAL USE
LIMITED OFFICIAL USE

PAGE 03 STATE 118926

PROVIDE AN EXCELLENT PROJECT.

3. MAJOR PROJECTS IS NOT ABLE TO PROVIDE A FINANCIAL BONA FIDES ON MASI. WE TALKED TO CARL METZGER, PRESIDENT WHO SAID THAT AS A PRIVATE ORGANIZATION THEY DO NOT GIVE OUT THAT INFORMATION. HE POINTED OUT THAT AS IT DEALS STRICTLY IN CONSULTING IT DOES NOT NEED TO HAVE LARGE ASSETS SUCH AS WOULD BE EXPECTED OF A MANUFACTURER. METZGER CLAIMED AVIALABLE MANPOWER OF OVER 800 CONSULTANTS BUT SAID ONLY 10 ARE ON FULL TIME PAYROLL AND THAT MOST OF THEM DO THE ADMINISTRATIVE WORK FOR THE FIRM. ALL OF THEIR EXPERIENCE IS OVERSEAS AND A LISTING OF CURRENT

PROJECTS INCLUDES AN INTEGRATED SOYBEAN PRODUCTION AND PROCESSING PROJECT IN NIGERIA, THE EARLY STAGES OF A SECOND SOYBEAN PLANT ALSO NIGERIA. MASI IS TECHNICAL PARTNER WITH MOBIL OIL IN AN AGRIBUSINESS DEVELOPMENT CONSORTIUM IN SAUDI ARABIA AND PROVIDES MANAGEMENT AND ADVISORY SERVICES FOR AFGHAN FERTILIZER COMPANY, AFGHANISTAN. FOR KABUL - EMBASSY REQUESTED CHECK WITH AFGHAN FERTILIZER CO. ON THIS ARRANGEMENT AND REPORT TO ABIDJAN BEFORE MAY 23.

MASI CLAIMS TO HAVE PREQUALIFIED FOR A TWO HUNDRED AND FIFTY MILLION DOLLAR UREA FERTILIZER PROJECT IN BANGLADESH.

4. MASI HAS NO PREVIOUS EXPERIENCE IN SUGAR (CANE OR BEET) BUT POINTED OUT TO MEPD THAT IT IS ITS UNDERSTANDING THAT THE JUNCTION MASI WOULD PERFORM IS ONE OF CONTRACT SUPERVISION NOT ENGINEERING AND THAT NO IN DEPTH ABILITY IN SUGAR PER SE IS CALLED FOR. MASI STATES THAT IT HAS BEEN APPROACHED NOT TO COMPETE WITH M-K OR THE OTHERS ON A TURNKEY PROJECT BUT TO PERFORM AS SODESUCRE'S WATCHDOG AS REDPATH PROGRESSES ON THE FERKESSEDOUGOU PROJECT. IN THIS WAY SODESUCRE PLANS TO AVOID THE PITFALLS IT ENCOUNTERED IN ITS FIRST PROJECT.

5. MEPD HAS NO KNOWLEDGE OF MASI BEYOND WHAT IS PROVIDED AND IS THEREFORE UNABLE TO GIVE POST IMPARTIAL BACK-GROUND IT REQUESTS. HOWEVER BELIEVE READING TO BE LIMITED OFFICIAL USE
LIMITED OFFICIAL USE

PAGE 04 STATE 118926

PROVIDED BY KABUL WILL BE INDICATIVE AS TO FIRM'S MANAGEMENT ABILITIES WHICH ARE IN QUESTION HERE. POST REQUESTED INFORM MEPD WHAT IS STATUS OF SODESUCRE'S CONTRACT WITH MASI? MASI FELT IT WAS ALL SET AND IS NOW WONDERING WHETHER SODESUCRE IS HOLDING DISCUSSIONS WITH OTHER FIRMS AS WELL. INGERSOLL

LIMITED OFFICIAL USE

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 26 AUG 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 21 MAY 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: SmithRJ
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE118926
Document Source: ADS
Document Unique ID: 00
Drafter: COM/OED/MEPD/JPHILBRICK/MJJ
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: D750178-1016
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t197505103/baaaakja.tel
Line Count: 151
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Office: ORIGIN COME
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: SmithRJ
Review Comment: n/a
Review Content Flags:
Review Date: 29 JUL 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <29 JUL 2003 by ShawDG>; APPROVED <24 NOV 2003 by SmithRJ>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: n/a
TAGS: BEXP, BBAK, IV, AF
To: ABIDJAN
KABUL
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006